PX 509

Statements From Reddit
(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
11/12/17	David Schwartz	Now, say you're a company like Apple with a huge pile of cash. If you want to snap up other assets cheap, you'll need to hold the asset the people selling want. If they're going into any of our corridors, they'll want XRP, so you would want to hold it. If Ripple is successful getting XRP used as an vehicle asset in international payments, new corporates like Uber and AirBNB (who make payments all over the globe and want to make them as quickly and cheaply as possible) could significantly add to the demand for XRP. Why? They can buy XRP at below market cost. Say they want to buy with USD. They just wait for someone to make a payment that's bridged with XRP that delivers USD. They can provide the USD for delivery and take the XRP from the other side of the payment. Since they're providing someone else liquidity, they'll pay below market rate. They can make payments funded from XRP at roughly half cost. Say they want to pay into a corridor that's bridged by XRP. Since they already have XRP, they can save the cost of the "to XRP" half of the payment. This means they'll save money by holding piles of XRP sufficient to adapt the timing of these two operations, and they'll be adding to XRP demand. These forces could be expected to increase the price of XRP. This same logic can apply to all kinds of companies that make payments around the world. At least, that's what Ripple's betting on. After all, the reason we're doing this is to increase demand for XRP to increase the value we can extract from our stash of XRP.	https://www.quora.com/Considering-that-the-banks-dont-use-XRP-coins-for-their-transactions-how-can-the-XRP-price-go-high-even-if-the-banks-adopt-the-Ripple-platform	509.01
6/23/16	David Schwartz	OpenCoin is now Ripple Labs which usually just uses the shorter name Ripple. The XRP is still mostly held by Ripple. XRP II is the company that actually delivers XRP when it is sold.	https://www.reddit.com/r/Ripple/comments/4pe52s/pre_mined_coins/d4l5mm3/	509.02

Statements From Reddit
(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
10/10/16	David Schwartz	We had a wallet. It became untenable for us to maintain it, and now GateHub provides a wallet. Anyone else who wants to provide a Ripple wallet can do so as well. There's no secret sauce. Banks are not currently buying much XRP. They have good institutional reasons not to want to hold volatile assets. They're not supposed to be gambling. At the moment, there isn't much reason for banks to hold XRP. They'd just be speculating that the price will go up, which is not what banks are supposed to do. While a market is never going to be perfectly efficient, a walled garden with an XRP price that differed widely from the price elsewhere is unlikely. If the price difference is anything more than tiny and the volume on both sides is more than tiny, someone will buy where the price is low and sell where the price is high. If significant institutional demand for XRP materializes, it's reasonable to expect that the price on exchanges will rise. Today's price, I think, accurately reflects today's demand.	https://www.reddit.com/r/Ripple/comments/56shj7/200_to_300_spike_12_hours_later_and_still_no/d8mbnpx/	509.03

Statements From Reddit
(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
1/11/17	David Schwartz	Whether or not XRP is decentralized depends on what you mean by decentralized. Yes, Ripple holds more than half the XRP in existence. In that sense, XRP is not decentralized. But that means that Ripple can justify spending $100 million dollars on something if it would be expected to increase the long term price of XRP by a penny. That is what makes it possible for XRP to target the use case Ripple is going after. That does not make it the perfect digital asset for every application, and that's why Ripple focuses heavily on interoperability with technologies like interledger. 2) Ripple is not really significantly controlled by banks. At most, there are some financial institutions that hold stock in Ripple or have board seats. And even if it was, that's just a stupid argument. The Internet was actually controlled by the government and the military at one time. That would not have been a good reason to ignore it and build something else. You really have to look at the actual technology. For example, there are no administrative functions on the XRP ledger other than the amendment process to change its rules, and that is ultimately controlled by the users. Ripple has no power to make anyone else run any code they don't want to run.	https://www.reddit.com/r/Ripple/comments/6zh0dn/comment/dmvk65t/?utm_source=share&utm_medium=web2x&context=3	509.04
1/11/17	David Schwartz	Ripple is a VC-financed company in San Francisco with about 160 full-time employees. XRP is a digital asset that trades on a public ledger. Ripple owns a bit more than 60% of the XRP that will ever exist. Ripple sells payment software to banks and is positioning XRP as a high-speed settlement system to go with it.	https://www.reddit.com/r/Ripple/comments/6z6dn8/whats_the_best_eli5_about_ripple/	509.05

Statements From Reddit
(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
1/11/17	David Schwartz	Ripple's current strategy consists of two major pieces: The first piece is to promote open standards for payment transactions and get as many financial institutions as possible to adopt these standards. That means providing them software to integrate high-speed payment and settlement into their existing transaction processing systems. This means governance and regulatory work as well as software sales and support. The second piece is to use some of Ripple's stash of XRP as a strategic weapon to incentivize the creation of pools of liquidity between XRP and currencies that are currently expensive or slow to deliver. The end goal, if Ripple is successful, is to position XRP as a universal bridge asset to concentrate liquidity into and out of smaller payment corridors. This would mean that companies that need to make payments into many of these corridors could cut costs by holding a single pile of XRP (which they could buy at near zero cost by facilitiating other people's inbound payments) that they could use for multiple corridors. This would also mean that traders would need to hold XRP because that would be the asset they people will need when they pay into those corridors.	https://www.reddit.com/r/Ripple/comments/6z6dn8/whats_the_best_eli5_about_ripple/	509.06

Statements From Reddit

(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
1/11/17	David Schwartz	Ripple has a direct financial interest in the value of XRP being as high as possible. The higher the price of XRP, the more value Ripple can extract for its shareholders from its XRP and the greater Ripple's ability to use XRP to incentivize partners. Second, the value of XRP directly affects its ability to intermediate large payments. You couldn't be a house with bitcoins when bitcoins were worth $1. You can now. Third, the best case scenario would be a general upward trend in price. That would mean that the cost of holding XRP would be zero or negative. For example, today, given the general upward trend in the price of bitcoins, you can hold bitcoins at zero (or even negative) cost by transferring both the upside and the downside to another party. Fourth, Ripple would likely gladly offer to cover FI's losses holding XRP in exchange for a generally higher price. Remember, Ripple is the largest holder of XRP.	https://www.reddit.com/ user/sjoelkatz/comments/ ?sort=new&after=t1_dmw urxl&count=275	509.07
1/11/17	David Schwartz	Since Ripple holds over 60 billion XRP, there's a huge correlation between Ripple's success as a company and the long-term price of XRP. The higher that price, the more value Ripple can get out of its XRP. Ripple's key business model is to drive use and adoption of XRP and ultimately be able to realize more value from the XRP it holds.	https://www.reddit.com/r /XRP/comments/6yc8y9 /comment/dmn7p52/	509.08

Statements From Reddit
(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
1/11/17	David Schwartz	I'll use the analogy of Google again. If Ripple were Google, XRP would be the search engine and the Internet would be Ripple's payment technology.The more people who use the Internet and the more value the Internet provides, the more possible value there is in a search engine. This is, of course, no guarantee that that search engine will be Google. But Google develops technology (like SPDY) and works to protect and promote the Internet because the Internet is what creates the need for a search engine. The Internet will not directly make Google billions of dollars, but Google's search engine is worth billions only because we have a strong, healthy Internet that hundreds of millions of people use for everything. Similarly, Ripple is building open payment systems with technologies like interledger. These probably will not directly make Ripple billions of dollars. But fast payment generates the demand for fast settlement, and the software Ripple sells to banks is made to integrate with digital asset settlement. The more Ripple's payment technology is adopted, the more payments there will be that have no technical obstacle to being settled with XRP.It's important to understand that Ripple is primarily VC financed and while we do sell XRP, we primarily use our XRP as a strategic asset to incentivize partners. It is clearly in our economic interest to do things that will increase the value of XRP over the long term. We've explained clearly why we believe that our payment network will create a tremendous need for a new intermediary asset, why that asset is likely to be a digital asset, why XRP is well-positioned to be that asset, how Ripple will work to get XRP adopted for this purpose, and why that would be expected to create demand for XRP.	https://www.reddit.com/r/Ripple/comments/6zmdqa/comment/dmwstse/?utm_source=share&utm_medium=web2x&context=3	509.09

Statements From Reddit

(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
2/2/17	David Schwartz	Ripple has a team of talented developers working on improving the scalability and reliability of the XRP Ledger. We're also constantly evaluating the ledger's feature set and looking for ways to make the ledger more powerful. We've also seen increased community participation in this open source development effort. We recently added payment channels and escrow to facilitate off-ledger scalability through protocols like ILP. The check feature will provide greater flexibility in receiving funds. Because the XRP Ledger has a defined way to introduce features, build a consensus around them, and activate them in a non-disruptive way, it can evolve to incorporate new technologies faster than other systems can. We're always open to new ideas.	https://www.reddit.com/r/IAmA/comments/80ppfl/comment/duxbgzh/?utm_source=share&utm_medium=web2x&context=3	509.10
2/7/17	David Schwartz	The short answer is because he could have crashed the price repeatedly and maintained constant uncertainty that would have held the price low. With the price low, XRP cannot work as an intermediary asset because every significant payment would move the price.	https://www.reddit.com/r/Ripple/comments/5rllvv/did_ripple_get_it_all_wrong_with_jed/ddgoaea/	509.11

Statements From Reddit
(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
5/3/17	David Schwartz	If XRP doubles in value, all other things being equal, people would just pay half as much for their on-ledger transactions. The official minimum network fee is currently ten drops, but most transactions are currently paying around 100-600 drops. So the value of XRP could go up by a factor of 10 with almost no effect on actual transaction rates. And the network minimum can be changed by a super-majority of the validators. But our strategy was never for XRP's value to come from transaction fees. Our strategy was for XRP's value to come from its utility as an intermediary or vehicle currency, bridging payments between other assets. For this purpose, a higher price helps because it allows larger payments to be bridged without incurring losses due to one's own transaction moving the price.	https://www.reddit.com/r/Ripple/comments/68und8/if_xrp_are_destroyed_each_time_per_use_and_if/dh38pum/	509.12
5/10/17	David Schwartz	> Right now it seems the agenda is to use XRP investors money to improve the blockchain and get banks aboard it which is happening but this is only success for you guys not necessarily the XRP investors. It's a fair point that it won't necessarily benefit those who hold XRP. But we now have some evidence that it actually has done so. And we continue to be the largest XRP holder and the ones with the most to gain or lose. So our interests are mostly aligned. I really think we can do this though. Look at how far we've come in the past four years.	https://www.reddit.com/r/Ripple/comments/6a8ysp/serious_ripplexrp_questionsfor_respected_david/dhcser8/	509.13

Statements From Reddit

(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
5/10/17	David Schwartz	> Do you see XRP being used for more than just bank to bank? We're promoting XRP as a vehicle currency for bridging payments. That's not just bank to bank but also market makers, currency traders, and companies that need to make lots of outbound payments. > It can be used in the same fashion BTC is used as well, correct? Yes, that's true. We haven't promoted XRP that way for a variety of reasons. One is that we didn't think it made much sense to try to compete with Bitcoin at an application that it already does well, especially since XRP didn't have enough value to do that. We were the first to connect crypto-currencies to improving the payment system. A lot of companies decided that was what they were going to try to do too, which I think suggests that it's a good strategy. And that includes organizations who have nothing but their token, not just companies like us that also have a software/payments business. > BTC is a bridge as well right however XRP is much faster and cost-efficient as stated on the Ripple web page. This is a big issue for me as it seems you guys are all in on XRP being used for banks and not really promoting it to be used in the fashion BTC is utilized. Which it can be used for, Correct? That's correct. There are definitely some people who think we should have stuck with the store of value use case or the community credit use case. We could compete with bitcoin based on our superior speed, capacity, and integration with other on-ledger assets. That becomes more viable as the value of XRP goes up.	https://www.reddit.com/r/Ripple/comments/6a8ysp/serious_ripplexrp_questionsfor_respected_david/dhcser8/	509.13

Statements From Reddit
(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
5/10/17	David Schwartz	> As you stated earlier Ripple is already getting extremely successful off XRP investors' money We're primarily VC funded. But it is true that selling XRP is a source of funds for us. > yet XRP is not necessarily getting more successful because it is not being utilized in the real world, you stated honestly that this will most likely be the case for quite some time which I very much appreciate. Why not start adding value to XRP already as an asset that can be used like BTC however much more efficiently? Unless the way it was created does not allow so. If our strategy of going all in promoting XRP as a vehicle currency works, the potential market is massive. And we avoid having to fight bitcoin for market share and can instead grow the market cooperativelly as we have been trying to do.	https://www.reddit.com/r/Ripple/comments/6a8ysp/serious_ripplexrp_questionsfor_respected_david/dhcser8/	509.13
5/10/17	David Schwartz	The value is if we're successful in promoting XRP as a vehicle currency and that drives demand for it. Whether or not you think there's value comes down to how likely you think we are to pull that off.	https://www.reddit.com/r/Ripple/comments/6a8ysp/serious_ripplexrp_questionsfor_respected_david/dhcshqd/	509.14
5/11/17	David Schwartz	Sure. But then somebody has to hold the XRP. And the more likely it is to go down, the more they'll charge others for the privilege of avoiding that risk. The higher the risk that XRP will drop in price, the more difficult it is to use it as an intermediary asset. That's why stability matters. As for why price matters, it doesn't directly. But it does indirectly. Price and liquidity are very tightly correlated. For XRP to work a vehicle/intermediary currency, you have to be able to buy and sell amounts of XRP equal to your payment size without moving the market significantly.	https://www.reddit.com/r/Ripple/comments/6ajgug/why_does_xrp_value_and_stability_matter_to_banks/dhf71cw/	509.15

Statements From Reddit

(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
5/12/17	David Schwartz	> 1) Translation: "The value can still rise off hype and speculation that one day it will become X" While it's true that the price can rise due to hype, that's not what I'm talking about. What I'm talking about is the reasonable expectation of future value. That's how this works. If, for example, you think that bitcoin will capture billions of dollars of future value, you expect it to raise in value in the future and so you want to hold it now. The same goes for a stock. > 2) Translation: "It can be used like BitCoin", you realize BitCoin is becoming universally accepted for this function... Bitcoin isn't bridging payments efficiently yet, so holding bitcoin because it can bridge payments isn't happening. > What you guys are doing is unacceptable and robbery whether you have the intent or you don't, personally I don't think you have the intent. You're entitled to your opinion. Do you agree that if we succeed in making XRP a vehicle currency, that would be reasonably expected to cause the price to increase? Is your chief complaint really that you don't think we're likely to succeed?	https://www.reddit.com/r/Ripple/comments/6a8ysp/serious_ripplexrp_questionsfor_respected_david/dhgcdw3/	509.16
5/13/17	David Schwartz	I assure you, we have no interest in dumping XRP. If we didn't believe in our current strategy, we'd be executing a different one. The notional value of Ripple's XRP is over $12 billion now, and we're going to try to get Ripple's shareholders as much value from that as we possibly can. It's difficult to imagine a scenario in the foreseeable future in which we could get maximal value of our XRP by crashing the price. We just have too much XRP.	https://www.reddit.com/r/Ripple/comments/6au0d6/ripple_has_come_to_be_the_dominant_name_for/dhhofs3/	509.17

Statements From Reddit
(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
5/14/17	David Schwartz	I'm sympathetic to your point, but there are some real human stories here that are worth looking at. I've been working on Ripple way more than full time for more than five years now (sorry, family) and those stories are the reward. One person contacted me to tell me that the 50,000 XRP they got in the first Ripple giveaway in 2013 allowed family members to fly into town for a funeral that they otherwise would have had to miss. Another person who put more money than he should have into XRP has been able to completely change the lives of his children. This is certainly part of the story ... maybe it is the story.	https://www.reddit.com/r/Ripple/comments/6b2lom/i_am_glad_i_gambled_on_ripple/dhjsb0u/	509.18

Statements From Reddit
(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
5/20/17	David Schwartz	It's true that we could do that, but: 1) It would hurt us more than anyone else. We're going to be the largest XRP holder for a long time. 2) If enough people felt that Ripple was doing more to harm XRP than to help it, they could do a hard fork of the ledger and create a system where we don't have XRP. This is, of course, the nuclear option and nobody wants this to happen. 3) We have a history of responsible stewardship since Jed left. And by the end of the year, our XRP will be locked up on ledger and the validator set will be diversified. We are doing this not because we're good people (though I think we are) but because the long term value of XRP affects us more than anyone else. We have an asset with a notional value of more than $10 billion, and our stockholders would like to see us maximize that value. I think it's very likely that the recent surge in interest and value will result in it being much easier to diversify the stakeholders. For example, many more exchanges now have a significant financial interest in seeing XRP trading volumes stay high.	https://www.reddit.com/r/Ripple/comments/6cai18/as_a_long_time_bitcoiner_ripple_is_about_to_beat/dhtkwc0/	509.19
6/8/17	David Schwartz	There are 100 billion XRP in existence. Ripple is not "pumping more coin" but is using its XRP to incentivize partners and bootstrap liquidity.	https://www.reddit.com/r/Ripple/comments/6fw4a0/xrp_is_now_one_of_4_cryptocurrencies_in_investor/dimehb0/	509.20
6/13/17	David Schwartz	That's not quite true. We are primarily VC funded, but we do sell XRP. We don't have to sell XRP to keep the lights on or pay employees. And we use our XRP more like a strategic weapon than a bank account. But we absolutely do sell XRP as a source of income in addition to VC funding and software licensing revenue.	https://www.reddit.com/r/Ripple/comments/6grfxd/message_for_the_xrp_community_stop_being_dogmatic/diumyu1/	509.21

Statements From Reddit

(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
6/14/17	David Schwartz	He is right that we are building a level playing field where all assets (including XRP, BTC, LTC, and private tokens of all kinds) will compete to provide liquidity. That's good for everyone and, we hope, an effort that many companies can get behind. (And we're not just doing the technical work. We're working on business rules, compliance, integration, and so on.) [...] To allow XRP to be used for real settlement requires large, deep liquidity pools. Ripple intends to execute a strategy to produce those pools so that when you receive a million dollar payment bridged by XRP, the bank winds up with not XRP but whatever asset it actually needs to settle the payment.	https://www.reddit.com/r/Ripple/comments/6h33e7/can_anyone_refuterebut_the_claims_made_in_this/divqxq6/	509.22
6/14/17	David Schwartz	You have it mostly right. XRP is an asset that can be easily traded at high speed with properties that make it work very well with ILP. It is a lot of work for us to make XRP succeed in this use case. But our plan is to still hold a significant fraction of the XRP when we do it. The idea is that we can hold, for example, 30% of the world's XRP (and thus capture 30% of the market cap increase) while still being able to use 25% of the XRP (currently a $6.5 billion value) to do it. (Those numbers are made up to illustrate the idea.) Nobody has that kind of incentive with Ethereum.	https://www.reddit.com/r/Ripple/comments/6h33e7/can_anyone_refuterebut_the_claims_made_in_this/divt7wx/	509.23
6/18/17	David Schwartz	This may help: https://www.xrpchat.com/topic/5280-valuation-models-xrp-the-digital-currency-vs-ripple-the-company/#comment-50182	https://www.reddit.com/r/Ripple/comments/6hrsm6/the_reason_why_xrp_will_be_adopted/dj2qjpn/	509.24

Statements From Reddit
(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
6/22/17	David Schwartz	It all depends how big you want to dream. What if Ripple captures bitcoin's current market share? $2 What if Ripple captures the value of all high-friction International payments that are now occurring? $20 (You could add a multiplier to this for additional demand from people holding XRP to make or facilitate the payments in the future.) What if Ripple captures the value of an increasing volume of International payments driven by the reduction in friction? Maybe $120. (Same point as above, you could justify a multiplier to this.) What if the economy triples in size, the volume of International payments increases, Ripple captures all of that, and people also use Ripple for all kinds of other things because it either displaces bitcoin or equals in size a bitcoin that's many times its current size? And we also expand the economy to other planets that also use XRP? And ... As for how likely these scenarios are though, who can say. Ripple equaling bitcoin's current market cap sometime in the near future doesn't seem any more outrageous to me now than the idea of a bitcoin selling for over $1,000 seemed to me in 2012.	https://www.reddit.com/r/Ripple/comments/6irqhs/mathematically_speaking_what_is_the_highest_price/	509.25

Statements From Reddit
(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
6/23/17	David Schwartz	There will only ever be 100 billion XRP in existence. Ripple, the company, holds about 60 billion XRP. Part of its business model is to profit from the increasing value and liquidity of XRP, if that can be accomplished. Ripple's strategy for increasing the value and liquidity of XRP is to position XRP as a fast settlement system to go with its fast payment system. [...] The plan is to use the value of the XRP it holds to incentivize the creation of deep pools of liquidity between XRP and other currencies on other payment rails. To do this, it is developing and promoting a neutral payment protocol (ILP) that permits such cross-ledger payments to occur trustlessly. If Ripple succeeds, the price of XRP could increase because those who want to pay into payment systems that have liquidity to XRP can save money by holding one pile of XRP, rather than currency in all of those payment systems. And those who want to profit by facilitating settlement will need to hold the currency those making the payments want in exchange, which would be XRP. Ripple's strategy is to work with others to build protocols and technologies to allow any asset to bridge any payment on a level playing field. Then it will work to make XRP competitive on that playing field.	https://www.reddit.com/r/Ripple/comments/6j3ov9/help_me_understand_please/djbbevm/	509.26

Statements From Reddit

(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
6/24/17	David Schwartz	I think it's reasonable to expect that as we think we can extract maximum value, we'll use that XRP to produce value for our stockholders at some point. For example, if you imagine that ten years from now the price of XRP is much higher than it is now and there's tons of liquidity, and there's no reason to expect any significant future increase in price, Ripple might sell its XRP or possibly even declare an XRP dividend to its stockholders. But that's all speculative. We're a corporation and so have an obligation to get value for our shareholders.	https://www.reddit.com/r/Ripple/comments/6j73pa/if_ripple_holds_60_of_xrp_doesnt_that_mean_that/djc342y/	509.27

Statements From Reddit

(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
6/24/17	David Schwartz	> The fact that Ripple has been focusing more and more on the tech for banks and less and less on XRP, is public information. Actually, quite the reverse. Several months ago, our public perception was almost exclusively about tech for banks. There wasn't even a link to anything about XRP on our main web page. Now, XRP is front and center in our messaging. > And understand that the possibility Ripple wants to sell services and a network rather than fight a potentially impossible road to get banks to buy XRP so XRP holders can profit, is possibly greater than zero. We hold over 60 billion XRP with a notional value of over $20 billion, which we can sell over time at near zero cost (assuming the price and liquidity holds). You think our bank software business will be anywhere close to that any time soon? How many banks do we have to sign to get as much revenue as a 1 cent increase in the price of XRP? 100? 300? But, of course, we don't have to choose because they both go together perfectly. Every bank that adopts our services and network is one more endpoint whose payments can settle over XRP the instant the liquidity is there.	https://www.reddit.com/r/Ripple/comments/6ix4n0/xrp_is_going_after_a_market_of_27_trillion/djc7cbv/	509.28

Statements From Reddit

(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
6/24/17	David Schwartz	> I meant more so in terms of market cap. Most of the currency is owned by Ripple founders. Why do you think centralizastion of the market cap is a bad thing? I understand wanting decentralization for things like stability of rules, censorship resistance, and so on. But I don't understand the motive for wanting decentralization of the holders of the asset. In fact, there's a good reason to want the reverse. Because one well-funded company holds so much XRP, they have the ability to spend millions of dollars on projects with the sole return being the possibility of achieving small increases in the value and/or liquidity of the asset.	https://www.reddit.com/r/Ripple/comments/6ix4n0/xrp_is_going_after_a_market_of_27_trillion/djc7k5f/	509.29

Statements From Reddit

(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
6/24/17	David Schwartz	> Can you provide a link to what you are referring to? I'd like to go over this strategy you've made public. https://ripple.com/files/xrp_cost_model_paper.pdf https://steemit.com/cryptocurrency/@princeali/xrp-vs-ripple-explained-by-ripple-developer-joel-katz > There are many things banks can do to reduce their operating costs, but they don't do it because either there is a large transformation cost, a large regulator/legal risk/unknown, and/or a counterparty/volatility/currency/political risk. Agreed. But they're already doing the transformation to obtain the benefits of end-to-end payment negotiation. We are working aggressively on the legal risk through the GPSG, and we've already established that banks can use exchanges that use XRP internally without knowing who provides the end asset (they don't know that now). The volatility risk can be hedged with Ripple offering options to sell if needed, and many other ways. Yes, these are huge challenges. But it's not like there aren't ways around them. And we have a *huge* incentive to do this, it could means billions of dollars for Ripple. And we've raised tens of millions of dollars, have almost 200 full time employees, and our accomplishments to date speak for themselves. For five years now, every time we've done something, people have said we wouldn't do the very next thing we actually then did.	https://www.reddit.com/r/Ripple/comments/6ix4n0/xrp_is_going_after_a_market_of_27_trillion/djcunqe/	509.30

Statements From Reddit

(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
6/24/17	David Schwartz	> I wouldn't be able to comment or things I may or may not know that are private to Ripple and its partners, but this is an interesting predicament. XRP is publicly traded with many small-time investors, yet all details related to how well XRP use is being adopted or rejected by the largest "clients" of Ripple, is private information, carefully disseminated (or not) over time in nicely packaged Coindesk-digestible packages. Yet you, Ripple, other Ripple insiders, and others who know this private info, are free to trade on this information without oversight. And your XRP community is none the wiser. All Ripple employees, advisors, and board members are contractually bound to adhere to Ripple's XRP trading restrictions. For employees, the punishment for violating those rules is termination and, yes, this has happened. For others, the penalty would likely be a lawsuit and damages. As you probably know, we've taken Jed to court to protect the XRP market. [...] It is true that we cannot publicly disclose anything about partners without their consent. This limits what we can say publicly about what we do with partners.	https://www.reddit.com/r/Ripple/comments/6ix4n0/xrp_is_going_after_a_market_of_27_trillion/djcunqe/	509.30
6/25/17	David Schwartz	"The success of Ripple the company is not directly tied to the value of XRP." Ripple holds more than 60 billion XRP with a notional value of around $15 billion. The price of XRP directly controls this notional value. And the liquidity of XRP over time directly controls how much of this notional value becomes actual value for Ripple the company. Not directly tied?! How many banks would have to adopt Ripple's payment technology for the sale/license/support revenue to equal the value to Ripple of a one cent rise in the price of XRP?	https://www.reddit.com/r/Ripple/comments/6jd9w6/this_is_the_difference_between_xrp_and_ripple/dje5as3/	509.31

Statements From Reddit

(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
6/26/17	David Schwartz	Right. It's not just that Ripple will be advocating for it. It's that Ripple's future value and revenue is directly tied to the future value and liquidity of XRP. For some time, Ripple will be the largest holder of XRP and it will dominate over every other source of value Ripple has. You think other people don't understand the relationship between Ripple and XRP, but I think it's you that doesn't, or at least aren't doing anything to make it clearer. I think most others do realize that the success of Ripple and the success of XRP are tightly tied. Every bank that uses Ripple Connect is one more endpoint that has no technical obstacles to using XRP. And it's one more reason for other banks to adopt Ripple Connect. I think people do understand that one day we will have instantaneous international settlement. And I think they do understand that XRP meets the technical requirements for an asset that could do that better than anything else out there. They understand that a bank IOU can't settle instantly unless someone makes it liquid and banks are unlikely to do that at their own expense because they aren't doing that now. Sure, there are some people out there who don't understand. But honestly, the way you are phrasing it seems more likely to mislead them even more, because the ties are extremely tight, just not extremely simple.	https://www.reddit.com/r/Ripple/comments/6jd9w6/this_is_the_difference_between_xrp_and_ripple/djfv1ad/	509.32

Statements From Reddit

(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
6/29/17	David Schwartz	Generally speaking, no. This really doesn't provide any advantage over them getting paid in dollars and then buying XRP on the open market. We could sell XRP to employees at a discount, but then anyone who didn't opt for the XRP would just be foolish, since they could sell them on the open market for more than the dollars they'd be getting. I believe we have paid some employees and/or contractors in XRP. And I believe we have given some people XRP bonuses. And, of course, employees who hold stock or stock options have an interest in the price of XRP because the company holds so much of it. We have investigated the possibility of giving employees XRP options. Personally, I love that idea. But unfortunately there proved to be tax, accounting, and legal obstacles that were insurmountable. A lot of employees, including myself, have purchased XRP on the open market. I have also accumulated XRP by biased market making as has at least one other employee I know of.	https://www.reddit.com/r/Ripple/comments/6k8vsw/does_ripple_compensate_their_employees_with_xrp/djklywv/	509.33
6/29/17	David Schwartz	We tried to give employees XRP options. So, if the price was 25 cents today, we could give an employee the option to buy, say, 1 million XRP at 25 cents any time over the next several years. Unfortunately, we were unable to resolve some of the tax and accounting issues around this and have had to use stock options instead. Of course, since Ripple holds so much XRP, everyone who holds stock or stock options has an interest in the long term price and liquidity of XRP. But I wish we could make that more direct with XRP options.	https://www.reddit.com/r/Ripple/comments/6k8vsw/does_ripple_compensate_their_employees_with_xrp/djkm6qw/	509.34

Statements From Reddit
(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
7/1/17	David Schwartz	I think you're misunderstanding what it means for a solution to be cheap. It means that if you have to transfer a million dollars and use XRP as the intermediary, the cost of the payment is low. The actual price of XRP isn't directly relevant but it tends to be the case that it's cheaper to pay with assets that are more valuable because you move the market less when you buy and sell. What's important is to use an asset with deep pools of liquidity. It's unlikely that banks will build them at their own expense (they aren't now, that's why corporations have to keep nostro accounts all over the place). Ripple has a huge incentive to build them for XRP though -- Ripple can justify spending $100 million to build a pool of liquidity even if there's no direct profit for Ripple if it can reasonably be expected to raise the price of XRP by a penny over the long term.	https://www.reddit.com/r/Ripple/comments/6kmtwv/as_much_as_i_love_xrp/djnv4xf/	509.35
7/3/17	David Schwartz	Ripple is a VC-financed company based primarily in San Francisco with almost 200 full time employees that sells software to banks that allow them to make rapid payments. XRP is a cryptocurrency that trades on a public ledger that Ripple is attempting to position as a high-speed settlement system to support fast payments. Ripple holds over 60% of the XRP in existence, so Ripple is highly motivated to build the infrastructure and liquidity needed to make XRP succeed for this use case. Ripple has had great success partnering with banks, getting commitments from banks to license Ripple's payment technology, and now deploying the software live to handle payments. The question now is whether Ripple will be able to take the demand for rapid settlement that this will create and turn it into demand for XRP. Generally those who think the price of XRP is likely to appreciate think we will and those who don't think we won't.	https://www.reddit.com/r/Ripple/comments/6ks83h/simple_explanation_of_ripple/djpd3s8/	509.36

Statements From Reddit
(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
7/6/17	David Schwartz	Ripple would love for the price to skyrocket and stay high forever. That would tremendously increase Ripple's notional value now and the value that could be materialized for stockholders over time as well. The worst case scenario would be lots of huge drops in the price. That would make it expensive to hold XRP. The best case scenario would be constant, steady upward price movements. That would make it reliably profitable to hold XRP. However, I really don't think Ripple has the ability to control the price very significantly. The only real knob we have is the rate at which we release XRP into the market. That can only push down on the price. And releasing lots more XRP in response to a price increase that was just a pump and dump could result in the price massively crashing afterwards, the worst thing possible. The price is pretty much at the mercy of supply and demand.	https://www.reddit.com/r/Ripple/comments/6l3m65/ripple_value_and_banks/djuexkc/	509.37
7/6/17	David Schwartz	The only real knob we have to turn is selling XRP on the market. And if we tried to do that to stabilize the price, we'd risk huge drops if we reacted to a pump and dump. If we had our choice, we'd prefer the price of XRP to keep appreciating over time. That makes the risk associated with holding it lower. And, of course, the profits we can make connect directly with the price of XRP over the long term.	https://www.reddit.com/r/Ripple/comments/6ln7ds/is_it_true_that_the_devs_of_ripple_keep_the_price/djvargt/	509.38

Statements From Reddit
(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
7/7/17	David Schwartz	Ripple, the company, is not pursuing a "retail" use case for XRP. There are a lot of reasons for this but from my point of view, the biggest ones are the legal obstacles. See, for example: https://www.federalreserve.gov/bankinforeg/regecg.htm Other companies are, of course, free to pursue whatever use cases for XRP and Ripple's public ledger that they wish. XRP has sufficient value and liquidity to be used for many applications beyond the use cases Ripple is focusing on. Compared to the other major cryptocurrencies, XRP provides faster confirmations, higher transaction volumes, and lower transaction costs. It doesn't support on-chain smart contracts like Ethereum does, but it does support a native distributed exchange, powerful cross-currency payments, token issuance, and sophisticated account and asset security features like native multisign, rotatable keys, and so on. One big thing that we do lack is a robust ecosystem of developers working on a variety of different use cases.	https://www.reddit.com/r/Ripple/comments/6lv8r0/how_ripple_supposed_to_be_mass_adopted_without_a/djwut3a/	509.39
7/9/17	David Schwartz	You realize that the vast majority of Ripple's value today is the notional value of the XRP it holds, right? Any strategy that didn't include trying to turn that into profits for the stockholders would be, at least in my opinion, insane.	https://www.reddit.com/r/Ripple/comments/6m9w8v/some_thoughts_from_an_outsider_exploring/dk05iwc/	509.40

Statements From Reddit

(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
7/15/17	David Schwartz	XRP is XRP. If Ripple is successful in positioning XRP as a settlement asset, it will be the same XRP that circulates now. It is theoretically possible that Ripple could pivot in some way away from XRP. The company has not made any kind of formal commitment to XRP in perpetuity. However, Ripple is currently the largest holder of XRP and likely to remain so for the foreseeable future. Ripple can justify spending $100 million on a project if it could reasonably be expected to increase the price of XRP by one penny over the long term. So unless you think Ripple is attempting the impossible, it's hard to give any credibility to the possibility that Ripple would abandon its most valuable asset. Ripple's interest closely (but, yes, not perfectly) align with those of other XRP holders.	https://www.reddit.com/r/Ripple/comments/6ng5km/for_people_asking_about_coin_vs_protocol/dk9nh7e/	509.41

Statements From Reddit

(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
7/15/17	David Schwartz	One short, simple answer is this: If they use some other cryptocurrency, they will have to do all the stuff that Ripple is doing. Nothing stops them from doing that now, but the reason they don't is that they don't have any incentive to spend the money to do it. Ripple has an incentive -- we profit dramatically from an increase in the value of XRP. So you might ask why a bank (or consortium of banks) wouldn't launch a private token to do it. They could, and I suspect we'll probably see many such things. If they're successful, they'll need some way to bridge the various such regional/jurisdictional systems, and we'd position XRP for that. But fundamentally, if they peg the token to fiat, then there's no revenue model (because the asset won't appreciate). If they don't peg the token to fiat, they're launching a floating cryptocurrency of their own, and we're way ahead on that front and already have broad FI support. But, yes, those things will happen. We expect that our payment technology will be good for all major cryptos and they'll all compete to provide rapid settlement. We'll probably be spending a lot of money to make sure XRP is the best.	https://www.reddit.com/r/Ripple/comments/6nfhsf/coin_vs_protocol/dk9nmfr/	509.42
7/15/17	David Schwartz	Ripple's largest asset is its XRP. Ripple will be the largest holder of XRP for the foreseeable future. Ripple could justify spending $200 million on a project if it could reasonably be expected to increase the long-term value of XRP by a penny. Ripple's investors expect the company to materialize maximum value for the XRP it holds. The relationship is pretty tight.	https://www.reddit.com/r/Ripple/comments/6nfhsf/coin_vs_protocol/dk9o0df/	509.43

Statements From Reddit

(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
7/24/17	David Schwartz	> The protocol and XRP are completely separate products. But Ripple wants to try to make XRP the preferred unit on this protocol? Yes. The protocol is a payment protocol that can be used regardless of how settlement is accomplished. XRP is an asset or settlement system. > The price of ripple is not directly linked to the price of Ripples stock, Ripples general assets, or the success of the protocol - but it is driven entirely by the expectations of XRP becoming a successful coin in the general digital domain? It's hard to know what controls the price of XRP. Obviously, it's supply and demand, but it's reasonable to expect that it does connect to the expectation of Ripple's success in promoting it as a settlement tool for international payments.	https://www.reddit.com/r/Ripple/comments/6nfhsf/coin_vs_protocol/dknp7ja/	509.44

Statements From Reddit
(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
7/24/17	David Schwartz	> After reading your answers I would really like to know some more about XRPs potential for becoming a more useable crypto than it's competition. Is it Ripple's hope that people will be using XRP for private mobile payment in the future? Like sharing the bill at a restaurant? Do you want to make XRP a unit that people can use to pay for a meal at Mcdonalds with? Or will XRP mainly be connected to international banking also in the future? What is your vision for the coin? I honestly don't feel that my ability to predict the future is likely to be much better than anyone else's. I have a lot of crazy long-term visions that I think would produce a better financial system in the future. But the truth is that it's almost impossible to see how these kinds of technologies will evolve. I think the costs of payments will go way down, the speed of payments will go way up, and settlement will be integrated into payments. We'll see atomic cross-system payments and we'll see support for micropayments. Whether a deflationary asset like XRP will replace government-issued inflationary assets, I don't know. I'm not an economist, but I like them better. I sometimes think that getting XRP to bridge the world's payments is a long shot. And sometimes I think it's almost a sure thing. I do think our team is amazing and our track record speaks for itself. Ripple, the company, is laser focused on position XRP as a settlement asset to go with the company's	https://www.reddit.com/r/Ripple/comments/6nfhsf/coin_vs_protocol/dknp7ja/	509.44

Statements From Reddit
(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
7/25/17	David Schwartz	> Why wouldn't banks use only the ripple protocol and came up with other solution to transfer the assets? Because there is no other solution on the horizon. I've listed many possibilities elsewhere and explained why XRP is superior. The short version is this: It's expensive. Banks could do this at their own expense today but they don't. Only Ripple is positioned to use the proceeds from the appreciation of value of an asset to finance the effort. Imagine if $50 million were needed to build sufficient liquidity to bridge payments to raise the demand for XRP to increase its value by one half of a penny over the long term. Ripple could justify that expense by the value of the increase in the value of the XRP it holds. Nobody else today or on the horizon could make such a revenue model work.	https://www.reddit.com/r/Ripple/comments/6pawnd/explain_then/dkoit9r/	509.45
7/25/17	David Schwartz	> Why would banks use XRP if 60% of all tokens are in possession of Ripple? Because banks like certainty. If their worried about something happening to XRP, all they have to do is get Ripple to contractually agree to some terms they like and they've protected themselves from 60% of the market. What other asset can they do that with? Do you think they're worried the price will go down? No problem. Say a bank holds $10 million worth of XRP and Ripple thinks the value of that XRP will go up but the bank is worried it will go down. Ripple can just offer the bank a deal where Ripple gives them XRP to bring them back up to $10 million if the price drops and in exchange, the bank gives XRP to Ripple to bring the value down to $10 million if the price goes up. This is a win for Ripple and it eliminates the bank's risk.	https://www.reddit.com/r/Ripple/comments/6pawnd/explain_then/dkoit9r/	509.45

Statements From Reddit

(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
7/26/17	David Schwartz	> What is the long term strategy for managing that expense? The long-term strategy is to use volume and competition to reduce that expense to a low enough amount that those placing the payment are willing to absorb it. That is, we believe that the "subsidy" necessary will drop to zero. Nobody has to subsidize the forex markets to keep currencies liquid. > You're offering to cover the cost of transaction resolution, but what happens to XRP if your company folds? There's nothing stopping organic growth of XRP by people who use it for the same applications people currently use bitcoin. It can support a higher transaction rate, lower latency, better censorship resistance, and supports numerous advanced features such as key rotation and cross-currency/cross-issuer atomic payments. But there's no guarantee that will happen. Right now, I don't think XRP could survive Ripple's departure. Hopefully, over time XRP will establish itself at least in the use case Ripple is currently targeting such that it can continue to get stronger even without Ripple's help. (Obviously, that would be great for Ripple too.)	https://www.reddit.com/r/Ripple/comments/6jd9w6/this_is_the_difference_between_xrp_and_ripple/dkrgj01/	509.46
7/27/17	David Schwartz	Thank you. It's hard to imagine us changing directions with XRP unless we had another strategy that we thought we even more likely to be successful or likely to be an even bigger success than this one. And it's hard to imagine that we would pivot away from XRP unless there was no way we could have any chance of making it succeed, in which case it doesn't matter what we do.	https://www.reddit.com/r/Ripple/comments/6ps6lc/does_holding_xrp_holding_shares_in_ripple_noob/dksf918/	509.47

Statements From Reddit
(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
7/30/17	David Schwartz	Ripple's largest asset is the XRP it holds, with a notional value of $11 billion. It's hard to imagine Ripple being reasonably considered to be "doing well" if it can't turn its XRP into value for its shareholders.	https://www.reddit.com/r/Ripple/comments/6q5aug/a_few_curious_questions/dkworpx/	509.48
8/3/17	David Schwartz	Ripple, or anyone else, could buy XRP and, if enough, it would be expected to raise the price of XRP. I don't believe anything would legally prevent Ripple from doing so, as long as it was disclosed and wasn't part of some kind of short-term price manipulation. The only time, to my knowledge, that Ripple did buy XRP (not counting accepting small amounts of XRP as payment in the ordinary course of doing business) was when some XRP was released into circulation and Ripple believed that the XRP was released in violation of a lock up agreement. Ripple bought an equal amount of XRP to cancel out the alleged violation. Ripple does care about the value of XRP because people will sometimes start figuring out what they think Ripple, the company, is worth by figuring out the notional value of Ripple's XRP. Some people will also subjectively use it as a measure of Ripple's success or importance and Ripple benefits from being perceived as successful and important. The price of XRP and the trade volume also affect the amount of revenue Ripple can raise by selling XRP and the value of XRP Ripple can offer when forming strategic alliances and the like.	https://www.reddit.com/r/Ripple/comments/6r5asi/do_ripple_the_company_really_care_what_the_value/dl36rdg/	509.49

Statements From Reddit

(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
8/3/17	David Schwartz	The ideal situation for Ripple would be constant, reliable upward price movement. That's probably not possible, but that would be ideal. Why? 1) It increases the value of the XRP that Ripple holds and thus the value of the company. 2) It lets the company materialize more value for its stockholders by selling XRP. 3) It reduces the risk of a loss by people holding XRP, thus increasing their willingness to hold it. Even if there is the occasional drop, the long term upward trend would win out. 4) Those who had to hold XRP for business purposes but couldn't tolerate risk could just offload both the upside and the downside to a third party at zero cost. So long as the upside is clearly greater than the downside, this would be possible. 5) The price of XRP, for better or for worse, is often interpreted as a success metric for Ripple. So an increasing price of XRP would create the perception that Ripple is succeeding. This could help drive adoption. What Ripple most wants to avoid is sharp, sudden drops in price. That makes it riskier and more expensive to hold XRP, resulting in higher costs in moving through it. This means in practice that it's almost impossible for Ripple to stabilize the price by increased selling during rallies. Why? Because you can't easily know if a rally is a sustained increase in demand or a pump and dump. If Ripple miscalculates, the price will crash severely, causing all those good things I mentioned above to run in reverse.	https://www.reddit.com/r/Ripple/comments/6revn5/a_closer_look_at_ripple_the_third_largest/dl4tdcq/	509.50

Statements From Reddit

(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
8/14/17	David Schwartz	I'm not going to try to spin a low price as a good thing by using words like "opportunity to buy cheap". But what I will say is that I think being decoupled from other digital assets is a good thing. XRP is not bitcoin. It's not Ethereum. It's not another coin pursuing the same use cases and having the same rationale as 100 other things. I think it's good that the market recognizes that not everything good for Bitcoin is good for XRP and not everything good for XRP is good for Ethereum and so on. Institutional investors particularly are not that interested in a whole bunch of investments that go up or down together.	https://www.reddit.com/r/Ripple/comments/6tn8zj/how_come_nearly_all_digital_currencies_went_back/dlmacem/	509.51

Statements From Reddit
(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
8/16/17	David Schwartz	I'm not sure what there is to respond to in there. That's just a list of vague conclusions. For example, what does he mean by "counterparty risk"? Risk that who will do what? As for "no proof of work security", that might have been a reasonable argument in 2012 when proof of work seemed like a really good thing. But we now know that it's a huge centralizing force (because all the people who have the best price on electricity and the best ASICs will have other things in common as well) and leaves us vulnerable to 51% and censorship attacks that there's no clear response to. (Not that those are showstoppers by any means, but to say that lack of PoS is a downside is absurd.) I can't even parse what "Premine doesn't even come close to the percent owned by the company behind it" means, but if he means that Ripple holds a huge share of XRP, that's certainly true. But that is what makes XRP able to tackle the use case Ripple is going after. Ripple's business model is to use the value of XRP to incentivize the creation of the liquidity pools needed to use XRP to settle international payments. That business model can only work if Ripple can materialize and control a significant fraction of that value. You can argue that that business model won't work, but I have yet to see that argument. You can argue that some other business model can do that job better, but I have yet to see that argument. All you have left is a handwaving argument that there must be some better way, but what is it? The reason we don't have instant settlement now isn't just because of a technological problem, it's also because nobody wants to pay for it. Ripple has a unique solution to that problem. I also notice that there is absolutely no commentary or analysis of any kind of the actual technology that Ripple has built anywhere in there.	https://www.reddit.com/r/Ripple/comments/6tzydz/ripple_in_free_fall_mode_why/dlpipnv/	509.52

Statements From Reddit
(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
8/19/17	David Schwartz	It really depends what you mean by "centralized". It's not a yes or no question. There are many dimensions of centralization/decentralization and there are degrees in-between of each one. IMO, the most important thing is whether the users can be forced to go along with changes they don't agree with. And in this sense, it is decentralized. All the code is open source. There is no patent protection. Users are free to run whatever code they want and configure whatever rules they want. They'll, of course, only be able to interoperate with users that run compatible rule sets. By contrast, you can't run your own PayPal server. And if PayPal changes the rules, you are stuck with them. PayPal holds licensing, banking agreements, and the underlying server software that the system requires to run. That is a centralized system -- you can't replace PayPal with something else unless you build a whole new system. Bitcoin is almost as decentralized. If you try to run your own bitcoin rules, you have to get sufficient mining power to go along with you or your chain will not be secure. That can limit the freedom users have to assert their own rules, but it also provides more glue to keep the user base from fragmenting. That might be worth some centralizing influence. There are other things you can mean by "decentralized" though. For example, if you mean distribution of the native asset, Ripple (the company) holds a lot of XRP, over 60% of all the XRP in existence. In that sense, XRP is centralized.	https://www.reddit.com/r/Ripple/comments/6ujru5/can_i_send_and_receive_ripple_with_a_wallet_like/dltu2pz/	509.53

Statements From Reddit
(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
8/19/17	David Schwartz	True, bitcoin has three advantages -- greater liquidity, a robust developer community, and network effects. But bitcoin's liquidity is mostly in the wrong places, areas where the existing systems are extremely efficient. XRP has many technical advantages. Transactions on the chain are faster and cheaper. The ledger has specific features built around this use case including escrow and channels. The answer to why XRP is mostly this -- Ripple can invest to build precisely the infrastructure and liquidity needed for this use case. There is nobody who is likely to be willing to make those kinds of investments for bitcoin. Ripple can justify a $250 million expense if it's expected to raise the market cap of XRP by $1 billion. Nobody can do that for bitcoin. We've explained our strategy for making XRP succeed for settling international payments. So far as I know, nobody is (or could make money on) implementing a similar plan for bitcoin. That said, we are building a level playing field technologically. And there will likely be some people, particularly for top 8 fiat currencies, who will be well situated to make liquidity between bitcoin and those currencies (including existing exchanges). So I would expect Ripple's efforts promoting things like ILP to benefit assets like bitcoin as well.	https://www.reddit.com/r/Ripple/comments/6uk40w/i_have_a_theory/dlv0aku/	509.54

Statements From Reddit

(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
8/22/17	David Schwartz	Ripple is a VC-financed company based in San Francisco with about 160 full time employees. XRP is a digital asset that trades on a public ledger. Ripple, the company, owns a bit more than 60% of the XRP in existence. Ripple is also the single largest stakeholder in the public ledger on which XRP trades, at least at the moment. Ripple's core business strategy, at least for now, is to build a high-speed payment system for financial institutions and position XRP as a high-speed settlement solution to go with the payment system. The revenue model to justify the expense of building such a settlement system is that such a system could be expected to increase the value of XRP. Ripple is in the unique position of being able to justify spending $250 million on such a system if it can be expected to raise the price of XRP by just one penny over the long term.	https://www.reddit.com/r/XRP/comments/6vba0x/why_are_people_saying_xrp_is_not_ripple/dlzmkfk/	509.55
8/23/17	David Schwartz	If Ripple is successful in promoting XRP as a settlement asset for international payments, a number of mechanisms could kick in that increase demand. Say you're a company like Seagate that pays out money all over the globe. If you have to make payments to five countries in our corridors, you'd rather hold one pile of XRP than five piles of different currencies. That increases demand. Say you're a company like Apple with a huge pile of cash. If you want to snap up other assets cheap, you'll need to hold the asset the people selling want. If they're going into any of our corridors, they'll want XRP, so you would want to hold it. That increases demand.	https://www.reddit.com/r/XRP/comments/6vba0x/why_are_people_saying_xrp_is_not_ripple/dm0bror/	509.56

Statements From Reddit

(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
9/4/17	David Schwartz	> That said, they can decide to kick it to the curb, that there's too much in circulation and start another coin. That's absolutely ridiculous. If fear of Ripple abandoning XRP is a reason to think XRP isn't likely to be successful, such an argument would apply many times over to any successor after Ripple had abandoned XRP.	https://www.reddit.com/r/XRP/comments/6xobpb/is_xrp_also_part_of_the_future_or_only_ripple/dmkiwqr/	509.57
9/4/17	David Schwartz	> All of that said, some people think it's bad that members of their team hold XRP. They say it's a conflict of interest. Maybe it is, but part of me believes there is some good psychology at work in that scenario: XRP is liquid, their stock options in the company are not. Their ownership of XRP means, in the back of their minds, they want it to succeed. They may be "platform first", but they have a personal, liquid reason to make XRP successful along with the platform. I agree. That's one of the reasons I pushed for things like XRP options for employees. Obviously, anyone with Ripple stock or stock options has indirect exposure to XRP since Ripple owns an enormous amount of XRP. But I absolutely agree that having a personal pile of XRP makes it much more real. There are certainly a lot of Ripple employees who opted to buy XRP. And they are subject to limits on how quickly they can sell XRP. So there are certainly quite a few employees with a direct personal stake in the price of XRP. Personally, I don't think that creates any conflict and actually helps to align interests better. Otherwise, Ripple's interest in the long-term price of XRP doesn't seem as real as revenue from selling software. I should also add that Ripple's leadership has addressed this in other ways as well, but I don't think I can disclose them.	https://www.reddit.com/r/XRP/comments/6xobpb/is_xrp_also_part_of_the_future_or_only_ripple/dmkiwqr/	509.57

Statements From Reddit

(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
9/6/17	David Schwartz	Since Ripple holds over 60 billion XRP, there's a huge correlation between Ripple's success as a company and the long-term price of XRP. The higher that price, the more value Ripple can get out of its XRP. Ripple's key business model is to drive use and adoption of XRP and ultimately be able to realize more value from the XRP it holds.	https://www.reddit.com/r/XRP/comments/6yc8y9/hello_ripple_community_members_a_naive_question/	509.58
9/6/17	David Schwartz	Since Ripple holds over 60 billion XRP, there's a huge correlation between Ripple's success as a company and the long-term price of XRP. The higher that price, the more value Ripple can get out of its XRP. Ripple's key business model is to drive use and adoption of XRP and ultimately be able to realize more value from the XRP it holds.	https://www.reddit.com/r/XRP/comments/6yc8y9/hello_ripple_community_members_a_naive_question/dmn7p52/	509.59

Statements From Reddit
(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
9/8/17	David Schwartz	The usual rule is to think of all the value in existence that could be captured. So if XRP is targeted at removing inefficiency of international payments, then perhaps XRP could capture all the inefficiency in international payments as its value. That gets you roughly $20. However, there are two ways I can imagine it going higher: 1) Ripple is targeting XRP at eliminating inefficiency in international payments. But if XRP is highly liquid and efficient, other people might use it for other things. Ripple might even target other use cases. Thus XRP could capture other value. 2) If international payments become more efficient, there will be more of them, meaning there will be more value that XRP could capture. So, for example, if you apply the "captured inefficiency" argument to email, you get this: "Well, a lot of postal mail requires physical delivery. You need packages. You need handwritten, personal messages. But some postal mail doesn't require physical delivery, and there physical delivery is inefficient. Email could capture all the inefficiency from postal mail's physical delivery even in cases where physical delivery is not required, and that's the most email could be worth." But clearly that completely misunderstands where the value of email comes from. It comes from completely new use cases due to the lower cost and higher speed. XRP could find value similarly.	https://www.reddit.com/r/Ripple/comments/6yruti/can_someone_elaborate_on_this/	509.60

Statements From Reddit
(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
9/9/17	David Schwartz	First, Ripple has a direct financial interest in the value of XRP being as high as possible. The higher the price of XRP, the more value Ripple can extract for its shareholders from its XRP and the greater Ripple's ability to use XRP to incentivize partners. Second, the value of XRP directly affects its ability to intermediate large payments. You couldn't be a house with bitcoins when bitcoins were worth $1. You can now. Third, the best case scenario would be a general upward trend in price. That would mean that the cost of holding XRP would be zero or negative. For example, today, given the general upward trend in the price of bitcoins, you can hold bitcoins at zero (or even negative) cost by transferring both the upside and the downside to another party. Fourth, Ripple would likely gladly offer to cover FI's losses holding XRP in exchange for a generally higher price. Remember, Ripple is the largest holder of XRP.	https://www.reddit.com/r/Ripple/comments/6yykaq/volatility_in_price_is_bad_for_ripple_right_which/dmr646s/	509.61

Statements From Reddit

(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
9/11/17	David Schwartz	I'll just respond to those two specific issues: 1) Whether or not XRP is decentralized depends on what you mean by decentralized. Yes, Ripple holds more than half the XRP in existence. In that sense, XRP is not decentralized. But that means that Ripple can justify spending $100 million dollars on something if it would be expected to increase the long term price of XRP by a penny. That is what makes it possible for XRP to target the use case Ripple is going after. That does not make it the perfect digital asset for every application, and that's why Ripple focuses heavily on interoperability with technologies like interledger. 2) Ripple is not really significantly controlled by banks. At most, there are some financial institutions that hold stock in Ripple or have board seats. And even if it was, that's just a stupid argument. The Internet was actually controlled by the government and the military at one time. That would not have been a good reason to ignore it and build something else. You really have to look at the actual technology. For example, there are no administrative functions on the XRP ledger other than the amendment process to change its rules, and that is ultimately controlled by the users. Ripple has no power to make anyone else run any code they don't want to run.	https://www.reddit.com/r/Ripple/comments/6zh0dn/great_interview_with_brad_garlinghouse/dmvk65t/	509.62

Statements From Reddit
(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
9/23/17	David Schwartz	> Bitcoin's value derives from the ideology(anonymity), technology and ability to actually use the coin as a monetary instrument(somewhat). All of those things are true of XRP as well. The ideology associated with XRP is typically different from the one associated with bitcoin, but there is an ideology there as well. I'd describe it as one of following a development pattern and history similar to that of the Internet to eventually produce an open, accessible, effective way to move money around. > XRP's objective seems completely different. Yes,they are both based on the same technology, but that is where it ends. XRP, unless I am mistaken, has no intention to replace or compete with Bitcoin, rather, it hopes to replace the SWIFT system used by banks. To be more precise, Ripple is building technology to provide payment to financial institutions. That payment software performs a function similar to what SWIFT does. SWIFT is a messaging system, not a settlement system. Ripple's vision for XRP is as a settlement system to go with the payment system it markets to banks.	https://www.reddit.com/r/Ripple/comments/71yhzf/shouldnt_ripple_be_traded_as_a_stock_rather_than/dnej6pc/	509.63

Statements From Reddit

(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
9/23/17	David Schwartz	> This effectively, eliminates the need to value or have a coin valued at X. It appears that for banks and businesses it's important to implement the technology, the block chain and ledger for secure and accountable transactions, however where is the need for a valued coin? That's what they're missing now! They have everything else. The reason settlement takes days is because there isn't a valuable, universal, liquid asset that can settle in seconds. > Maybe, I've misunderstood the concept of XRP altogether, but it just seems as if Ripple would be better off being valued as a stock. Ripple, the company, does issue stock. Ripple, the company, also owns a significant amount of XRP. So, to some extent, the value of Ripple stock is connected to the value of Ripple's XRP.	https://www.reddit.com/r/Ripple/comments/71yhzf/shouldnt_ripple_be_traded_as_a_stock_rather_than/dnej6pc/	509.63

Statements From Reddit

(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
9/23/17	David Schwartz	> Of course, being Ripple is so new and probably doesn't have any real earnings yet (or does it?) besides the investments being currently made through the purchase of XRP. Not to mention, it would have to comply with a whole new set of regulations and post earnings, profits/losses, outlooks, etc. Which in a sense, would benefit us. Being its a cryptocurrency and traded as such, we currently have no guarantee and Ripple has no obligation to provide us with anything. Right. Ripple, the company, could theoretically abandon XRP if that made sense. But right now, XRP is the largest potential future revenue source that Ripple has and, more importantly, it's Ripple's secret weapon. Ripple can use the revenue model of long-term appreciation of XRP to justify spending large amounts of money on things that otherwise have no revenue model whatsoever. If Ripple's payment software eliminates the obstacles to XRP being used to bridge payments, then Ripple can use its pile of XRP as a strategic weapon to incentivize the creation of the pools of liquidity needed to use XRP for instant settlement of those payments. Ripple can justify the expense of tens of millions of dollars if it can reasonably be expected to raise the price of XRP by even a penny over the long term. Nobody else has access to that revenue model. XRP is also a digital asset that trades on a public ledger run by open source software. Others can use XRP for any purpose they wish, and XRP could find a path to success not related to Ripple's efforts. But it's also possible that Ripple succeeds in driving XRP adoption as an intermediary asset, and that could spark massive demand.	https://www.reddit.com/r/Ripple/comments/71yhzf/shouldnt_ripple_be_traded_as_a_stock_rather_than/dnej6pc/	509.63

Statements From Reddit
(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
9/27/17	David Schwartz	No, it's not possible. Nobody knows how to do that. Say, for example, the price starts to spike up. Ripple has no way to tell if that's a small spike or a huge surge. Were Ripple to try to, say, sell XRP to keep the price from going up too far, and it was just a small surge, the price would crash. That's the worst case scenario for Ripple because its use case is negatively impacted by a high cost of holding XRP, which crashes cause. Say the price is 20 cents and Ripple wanted to hold it there. If the price goes up to 25 cents, Ripple has no way to know whether it's going to stay at 25 cents or drift back to 20. Were Ripple to try to sell XRP to bring the price down to 20 cents and it was going to go down to 20 anyway, Ripple would cause a crash. There are also a variety of reasons Ripple would like the price of XRP to go up. For example, to some extent, Ripple's success is dependent on institutional perception of Ripple's success. If you think Ripple is going to do very well in the near future, you're more likely to adopt it. If you think Ripple is going to fail, you're unlikely to bother. Whether or not it makes sense, the price of XRP is often seen as a measure of Ripple's success. The idea situation for banks would be if XRP were slowly and reliably increasing in value. That would bring the cost of holding XRP to zero because the downside would be smaller than the upside, so you could hedge at zero cost. Of course that doesn't mean Ripple will magically be able to make this happen as it's no easier than holding the price constant.	https://www.reddit.com/r/XRP/comments/72ot8p/is_it_possible_that_the_xrp_price_is_being_held/dnk701x/	509.64

Statements From Reddit

(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
10/26/17	David Schwartz	We have several strategies for XRP adoption as an intermediary currency to settle international payments. Getting banks and other FIs to use XRP directly is just one of them. If we ever became convinced that that use case is just not going to work, which seems very unlikely to me, we would have to find some way to pivot. That would require significant changes throughout the company. But I think that's very unlikely. We've been completely focused on that one use case for the last three years or so and I don't think a pivot of that kind is at all likely.	https://www.reddit.com/r/Ripple/comments/78mrig/chief_cryptographer_at_ripple_david_schwartz/doxatyg/	509.65
11/10/17	David Schwartz	I've addressed this in several places, but here's one: https://www.reddit.com/r/Ripple/comments/78mrig/chief_cryptographer_at_ripple_david_schwartz/dow3zsm/ But you kind of hit on, and dismissed, the main point. We have it. That means we have a revenue model to position it for settlement. No other asset has that. We have digitized fiat today, yet we don't have instant settlement. That's largely because nobody is willing to pay for providing it because it's difficult to monetize. Ripple's ability to use XRP as a revenue model, because we have it, is the secret sauce. You don't need a blockchain to build a walled garden with a proprietary asset pegged to fiat run by a central authority. Yet we don't have instant settlement. So if your question is why people can't use blockchain tech to build a walled garden with a proprietary asset pegged to fiat run by a central authority that provides instant settlement, I'd say it's because blockchain tech isn't useful for that application.	https://www.reddit.com/r/Ripple/comments/6irqhs/comment/dj8qctq/?utm_source=share&utm_medium=web2x&context=3	509.66

Statements From Reddit
(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
11/10/17	David Schwartz	If all you care about is the price, then what you care about is supply and demand. You want more demand and you don't want more supply. The supply of XRP has a hard cap at 100 billion. So what you would want to look at it what might happen to the demand. https://www.reddit.com/r/Ripple/comments/79qn5k/if_banks_dont_need_the_xrp_coin_to_do/dp433op/ That's one of the places I explain some of the reasons why it's reasonable to expect an intermediary asset to see increased demand.	https://www.reddit.com/r/Ripple/comments/6irqhs/comment/dpm3xcv/	509.67
11/12/17	David Schwartz	It's been explained several times why one might reasonably expect a bridge asset to see increased demand. Here's a link to one place I explained just two of the ways XRP holders might benefit: https://www.reddit.com/r/Ripple/comments/79qn5k/if_banks_dont_need_the_xrp_coin_to_do/dp433op/	https://www.reddit.com/r/Ripple/comments/7ce5sr/before_you_blow_all_your_money_on_xrp_listen_to/dppbn6b/	509.68
11/14/17	David Schwartz	One thing we're definitely missing is a robust and inspired community of developers. Bitcoin obviously has that because of its adoption and the way it first ignited people's imagination about what blockchain could do. Ethereum has that because tremendous effort was put into communicating the idea that it was a programmable blockchain that could make anyone's distributed application real. We don't have that.	https://www.reddit.com/r/Ripple/comments/7cwa2n/check_out_sjoelkatzs_great_dissection_of_this_fud/dptl0pj/	509.69

Statements From Reddit

(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
11/14/17	David Schwartz	Ripple has tremedous incentive to employ strategies that will increase its long term price. ...Ripple's current focus is obvious to make itself money. It's doing this by offering banks a product that saves them money and time but that Ripple hopes will increase the value of its XRP…Our plan was to enable banks to transact with any currency on any ledger and position XRP to win in a fair fight...And we woulkd like to see, steady increase in the price with no sharp dips. That would make the cost of holding XRP near zero, which banks would like. And we would make more money that way. That doesn't mean we'll be able to do it though. We have no interest in manipulating the price because that will always cause sharp drops which are the worst case scenario. We'd prefer to see it increase from real increasing utility.	https://www.reddit.com/r/Ripple/comments/7cta9g/if_you_bought_xrp_because_you_think_youre_going/dpstdbq/	509.70
11/14/17	David Schwartz	How can Ripple both be smart enough to take over international settlement and yet be so dumb as to have embarked on a plan that won't make it any money because it won't increase the price of XRP? "XRP is meant to fund Ripple." Right. So Ripple has a tremendous incentive to employ strategies that will increase its long term price. Do the math -- how many banks does Ripple have to sign up to equal a $0.02 increase in the long-term price of XRP? Point by point: […] > The entire thing is for banks to save money and time. Ripple's current focus is obvious to make itself money. It's doing this by offering banks a product that saves them money and time but that Ripple hopes will increase the value of its XRP.	https://www.reddit.com/r/Ripple/comments/7cta9g/if_you_bought_xrp_because_you_think_youre_going/dpstdbq/	509.70

Statements From Reddit
(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
11/14/17	David Schwartz	> The purpose of XRP is for banks to use as a settlement coin. It also helps banks free up capital from having it tied in different foreign currencies held in escrow. Instead of a bunch of currencies, they will hold XRP. This doesn't tell you ANYTHING about it's price or value. The value could be NULL and it would still function as needed. True. It's price and value will be determined by supply and demand. If Ripple is going to make money, the amount of XRP we hold will go down. That will cause the price to be virtually impossible to manipulate reliably or over the long term. > THEY DONT NEED XRP. The system works without it. The system can work with other coins. Absolutely. Our plan was never to trick anyone into using XRP or force them to use it. Our plan was to enable banks and others to transact with any currency on any ledger and position XRP to win in a fair fight. > XRP is meant to fund Ripple. It's not a coin for a store of value or for regular commerce. It is not bitcoin. Mostly true, at least, this is how Ripple is positioning XRP. Others are free to use it however they want.	https://www.reddit.com/r/Ripple/comments/7cta9g/if_you_bought_xrp_because_you_think_youre_going/dpstdbq/	509.70

Statements From Reddit

(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
11/14/17	David Schwartz	> What bank in the world would put money on an insanely volatile asset? XRP is going to be EXTREMELY stable. Eventually, it probably will be. But the scheme won't work well if it's stable at such a low price as all the XRP in circulation won't have enough value. It is definitely true that Ripple would like to avoid sharp drops. But appreciation is harmless if it comes from real utility rather than being followed by large drops. Remember -- if the price of XRP goes up, Ripple gets richer. Ripple only has to give the banks enough to make them use the system. We don't have to give them exactly what they would like most.	https://www.reddit.com/r/Ripple/comments/7cta9g/if_you_bought_xrp_because_you_think_youre_going/dpstdbq/	509.70
11/14/17	David Schwartz	> XRP's price is essentially in the hands of Ripple as they own a majority of XRP (most of it is 'held in escrow'). They can manipulate it. True. And we would like to see a slow, steady increase in the price with no sharp dips. That would make the cost of holding XRP near zero, which banks would like. And we would make more money that way. That doesn't mean we'll be able to do it though. We have no interest in manipulating the price because that will always cause sharp drops which are the worst case scenario. We'd prefer to see it increase from real increasing utility. > THIS IS BY DESIGN. A BANK WILL NEVER BACK A SYSTEM OF VOLATILITY OR A SYSTEM THEY CANNOT CONTROL Unless they want to provide better service to their customers and aren't one of the largest banks. Unless the choice is for them to do it or sit back and watch others do it. Unless they think they will collapse if they don't. I've explained in several other places why Ripple expects adoption of XRP as a vehicle currency, if we can achieve it, to increase demand.	https://www.reddit.com/r/Ripple/comments/7cta9g/if_you_bought_xrp_because_you_think_youre_going/dpstdbq/	509.70

Statements From Reddit

(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
11/17/17	David Schwartz	Every node validates every transaction it sees, just like in bitcoin. While we use the term "validator" for nodes that help the network to place transactions into a canonical order to solve the double spend problem, they are not the only nodes that validate transactions. Validators for XRP are somewhat analogous to miners in bitcoin. Except they don't need to do significant amounts of work and they aren't compensated by the network. More importantly, the choice of validators isn't based on who spends money or has cheap power but is made by the users of the network. In both systems, objectively known consensus rules determine what is a valid transaction and what consequences a transaction yes. In both systems, every full node checks every transaction for compliance with this rules and should reject any transaction that violates them. https://ripple.com/insights/xrp-ledger-decentralizes-expansion-55-validator-nodes/ I do agree that the network isn't as decentralized today as we'd like it to be. But the design permits much greater decentralization than we have in practice, significantly greater than is possible in PoW systems. And Ripple is committed to continuing to improve the decentralization.	https://www.reddit.com/r/Ripple/comments/6rnjct/why_is_xrp_important_and_why_does_ripple_need_it/dpz1jw8/	509.74
11/17/17	David Schwartz	Significant releases of XRP from Ripple happen two different ways: One is programmatic sales onto open markets. This is done by third parties that Ripple employs to use agreed algorithms to execute sales, usually by market making that is biased in favor of a net sale. Ripple does not have direct control over these sales and cannot adjust their timing on a short term basis. The sales preference is approximately 20 basis points, 0.2%. Aside from rasising revenue from Ripple in a way that reduces the opportunity for manipulation, this also improves XRP liquidity and tightens XRP spreads on those exchanges.	https://www.reddit.com/r/Ripple/comments/7dmbn3/ripples_monthly_xrp_sales_vs_ripples_media/dpzavzm/	509.75

Statements From Reddit
(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
11/17/17	David Schwartz	Significant releases of XRP from Ripple happen two different ways: [...] The second way is institutional sales and partnerships. These do not take place on open markets and typically come with lock ups and other requirements. It's reasonable to expect that this type of release puts less negative pressure on the price than a comparable sale on the open market. It is true that hype of any kind drives XRP exchange volume which will increase the amount of programmatic sales that Ripple does. However, our incentive is heavily biased in favor of the long-term value of XRP because our stash will last us some time. And large, sharp drops in the price of XRP increase the cost of holding XRP, which makes our intended use case less competitive. Ripple has never had a dividend. Every penny raised for Ripple through XRP sales or any other source is either still held by Ripple or was spent to grow and operate the company. These rules, and the rules Ripple has on employee, board member, and adviser XRP sales, are not rules Ripple made pursuant to any regulatory requirement. And they're not primarily rules that Ripple made out of the goodness of our hearts. These kinds of controls and standards were demanded by some of our partners and made part of our agreements with them, particularly agreements that involved partner use of XRP. https://ripple.com/insights/q3-2017-xrp-markets-report/	https://www.reddit.com/r/Ripple/comments/7dmbn3/ripples_monthly_xrp_sales_vs_ripples_media/dpzavzm/	509.75

Statements From Reddit

(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
11/18/17	David Schwartz	Their MO is not sell at the highest price but to make markets at the market price with a bias to give a net sales of XRP of 20 basis points. Volumes can be high during a period of low and dropping price too. But I think it's very important to point out that this does not necessarily mean that hype is a net benefit to Ripple. Hype that isn't associated with realistically improved prospects tends to cause an increase followed by a dip. The net effect of lots of hype is that the market becomes insensitive to, and skeptical of, real results. Worse, volatility increases the holding cost of XRP, which is a significant obstacle to Ripple's promotion of XRP as a vehicle currency. Ripple exceeds both regulatory requirements and industry norms by ensuring that its programmatic XRP sales can't be timed to take advantage of information prior to public announcement and by having a strict policy on employee, board member, and adviser XRP transactions.	https://www.reddit.com/r/Ripple/comments/7dmbn3/ripples_monthly_xrp_sales_vs_ripples_media/dpzfrel/	509.76

Statements From Reddit

(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
11/20/17	David Schwartz	Why would Ripple want a low price for XRP though? Ripple is the majority holder of XRP and would want the long term price to be as high as it can possibly be. So this would be a clever strategy to minimize our returns? It's clearly in our interest to do everything we can to maximize the long-term price of XRP and get as much as we can for the XRP we hold. We have announced a strategy to do that and there's plenty of public evidence that we're executing on that strategy. You would have to argue either: 1) Ripple is stupid, or 2) Ripple has no XRP strategy that could possibly work to raise the price over the long term and is evil. Otherwise, there is no rational reason why we would not continue to execute our publicly announced strategy and do everything we can to maximize the price of XRP over at least the time it takes us to sell the XRP we have.	https://www.reddit.com/r/Ripple/comments/7dmbn3/ripples_monthly_xrp_sales_vs_ripples_media/dq2zlt4/	509.77

Statements From Reddit

(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
11/21/17	David Schwartz	I'll tell you what I think the biggest risks are: Someone else does almost exactly the same thing Ripple does, but does it better. This is mitigated by the fact that Ripple has such talented people and has a lead. But you never know. Unfavorable regulatory changes make Ripple's business model impractical. Perhaps some regulators deem XRP to be a security and therefore only salable to sophisticated investors or something like that. This is mitigated by the fact that Ripple can target friendlier jurisdictions, but losing big ones would be damaging. Some serious technical problem is found in the XRP ledger system and neither Ripple or anyone else is able to fix it. This seems unlikely to me, but again, you never know. Some horrible personal or business scandal affects key Ripple people such as Chris Larsen or Brad Garlinghouse or the company itself and the company becomes too toxic for FIs to do business with. Again, I don't think this is likely, but you never know. Someone comes up with a better way to bridge international payments than using a digital asset and Ripple is unable to position XRP for another use case and abandons XRP. I don't know of any better way, but as with the others, you never know.	https://www.reddit.com/r/Ripple/comments/7ehy33/xrp_will_go_to_0_because/dq6c8bw/	509.78

Statements From Reddit
(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
12/2/17	David Schwartz	I agree that the main thing to worry about would be that our trading can dampen rallies or end them prematurely. We believe, based on expert advice, that we've calibrated them to minimize this risk. And we're very transparent about what we're doing and how we're doing it. Because of the firewall between us and the companies that execute the trades, I don't know the details of their trading algorithm. I do know that it places trades on both sides of the order book with a net bias towards XRP sales totalling roughly 20 basis points (0.2%) of total volume. They understand that we want to protect the long term value of our XRP and they are expert market makers.	https://www.reddit.com/r/Ripple/comments/7goh bn/im_beginning_to_belie ve_that_ripples_publicity/ dqo9t5g/	509.79
12/7/17	David Schwartz	I assume you're asking why Ripple's success would result in demand for XRP. See here: https://www.xrpchat.com/topic/5280-valuation-models-xrp-the-digital-currency-vs-ripple-the-company/?tab=comments#comment-50182	https://www.reddit.com/r/Ripple/comments/7i4bbi /why_would_i_invest_in_ ripple/dqw5ahc/	509.80
1/2/18	David Schwartz	But the higher the price of XRP, the more money Ripple makes by selling XRP, the more money Ripple is worth, the more power Ripple has to incentivize partners, and soon. Also, the higher the price, the higher the liquidity tends to be. Higher liquidity makes payments cheaper. Imagine if you tried to buy a house for bitcoins when they were worth $100. The seller would have significantly depressed the market, causing them to take a large loss. Today, with the price so much higher, that's not a problem. So a higher price for XRP makes it cheaper to use XRP for settlement.	https://www.reddit.com/r/XRP/comments/7mhsd o/difficult_question_abou t_xrp/dru9dxi/	509.82

Statements From Reddit

(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
1/22/18	David Schwartz	A low [XRP] price discourages usage because it almost always correlates with higher carrying cost and lower liquidity. We want to bring liquidity up, carrying costs down, and build a robust ecosystem of connections between XRP and existing payment endpoints.... [T]he amount of XRP introduced will depend more on what partners Ripple needs to incentivize, what money Ripple needs to accomplish its objectives, and also what most benefit's Ripple's stockholders in getting maximal long-term value from the company. One of the reasons for the escrow was to assure the market that Ripple couldn't act to get maximal short term value and sacrifice long term value without taking a significant loss.	https://www.reddit.com/r/XRP/comments/7guyy4/link_between_xrp_and_ripple/dt1f9xc/	509.83
2/14/18	David Schwartz	Obviously, it gets sensitive for me to try to make statements about what Ripple's value is and where that value comes from. So let's go with your 90% value for the moment. Obviously, that's more than sufficient to ensure that Ripple makes every attempt to make its XRP revenue model work. As for whether Ripple will fail if XRP fails, I can say that all of our present plans fail. Whether we'd be able to come up with a new strategy, I can't really say. I think we'd surely try rather than just giving up. But it would definitely be a very different company compared to what Ripple is today.	https://www.reddit.com/r/Ripple/comments/7vpaea/the_most_important_part_of_the_hearing_today/du7mf5l/?context=3	509.84

Statements From Reddit
(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
2/17/18	David Schwartz	The value comes from demand for the asset for settlement. To use XRP to settle a payment, someone has to hold XRP so that it's available to be used to settle that payment. When lots of payments are being settled, then there's lots of demand for the settlement asset. See here: https://www.xrpchat.com/topic/5280-valuation-models-xrp-the-digital-currency-vs-ripple-the-company/? tab=comments#comment-50182 Imagine if you do lots of payments between corridors where XRP is used for settlement. This means: 1. You can buy XRP at negative cost by providing other people the fiat currencies they need to make their own payments. In other words, when someone needs, say, USD you provide them that USD and take the XRP they just bought. You facilitate their payment and make about half its cost. 2. You can make payments for half the cost by paying with XRP rather than with fiat, since you don't need to fiat->XRP half of the payment. But you only get these savings if you keep a pile of XRP because you have to do 1 whenever other people want to convert XRP to fiat and you have to do 2 whenever you want to make a payment. All these large payment endpoints keeping piles of XRP to cut their payment/settlement costs would be expected to drive demand for the settlement asset. Imagine if there's a USD->MXN payment that settles through XRP. That means someone had to be holding the XRP that was used to buy the MXN during the payment. If there are lots of such corridors that are lucrative, then people will compete to be the ones holding that XRP, which will mean lots of traders holding XRP.	https://www.reddit.com/r/Ripple/comments/7m5ag3/comment/duets6g	509.85

Statements From Reddit

(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
2/27/18	David Schwartz	The XRP Ledger is open source and decentralized. Exchanges, institutions, and other users of XRP run the open source software and process independently every transaction. We're on track for the XRP Ledger to be more decentralized than either bitcoin or Ethereum is now by the end of 2018. The XRP Ledger's distributed agreement technology doesn't have the inherent centralization that proof of work creates. Ripple has no special powers over the XRP Ledger. We cannot force people to run software that has features or capabilities they don't want. We welcome community involvement and other uses cases for XRP.	https://www.reddit.com/r/IAmA/comments/80ppfl/i_am_david_schwartz_chief_cryptographer_at_ripple/duxgy6g/?context=1	509.86

Statements From Reddit

(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
2/27/18	David Schwartz	There are quite a few examples, but I'll share my personal favorite. In the very early days of developing what is now the XRP Ledger, we built a decentralized exchange in. (Currently the largest decentralized exchange with the highest volume. Who knew?) This permits people to hold, pay, and trade arbitrary assets on the XRP Ledger. So you can hold, say, bitcoin on the XRP Ledger if you want, but some entity has to hold the actual bitcoin. So for assets that are not native to the XRP Ledger that counterparty can become a potential point of failure. Those who wish to use that particular asset have to trust that counterparty. There can be competition among counterparties, but that divides the liquidity. Codius can act as a generic, trustless counterparty. Such a gateway built on Codius could allow Ethereum, bitcoin, and other digital assets to trade on the XRP Ledger without that risk of counterparty failure. And, of course, the XRP Ledger has features like XRP autobridging that make it very efficient to provide liquidity to and from XRP for assets that trade on it.	https://www.reddit.com/r/IAmA/comments/80ppfl/i_am_david_schwartz_chief_cryptographer_at_ripple/duxgy6g/?context=1	509.87
2/27/18	David Schwartz	I think three things really set XRP apart from any other digital asset. One is the amazing team of dedicated professionals that Ripple has managed to amass to develop an ecosystem around XRP. The other is a focused use case for XRP and a coherent strategy to drive adoption for that use case. Last, the set of real customers finding business value in it. The history of technological innovation around the XRP Ledger speaks for itself.	https://www.reddit.com/r/IAmA/comments/80ppfl/i_am_david_schwartz_chief_cryptographer_at_ripple/duxgy6g/?context=1	509.88

Statements From Reddit
(PX 509 et seq.)

Date	Speaker	Quoted Statement	Web Link	PX
2/27/18	David Schwartz	This has been an amazing year and I think we've made great progress validating XRP's use case within RippleNet. We have the technology, we have the vision, we have the partnerships. The challenge for us is to maintain focus and keep executing. We're right at the point where our full vision is becoming reality.	https://www.reddit.com/r/IAmA/comments/80ppfl/i_am_david_schwartz_chief_cryptographer_at_ripple/duxgy6g/?context=1	509.89
2/27/18	David Schwartz	xRapid is our first enterprise product delivering payments bridged by XRP. We announced xRapid just a few months ago and are focused on delivering production volume. We're still very early in what we expect xRapid to do.	https://www.reddit.com/r/IAmA/comments/80ppfl/i_am_david_schwartz_chief_cryptographer_at_ripple/duxgy6g/?context=1	509.90